

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

CHAMBERS OF
J. FREDERICK MOTZ
UNITED STATES DISTRICT JUDGE

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February 27, 2006

Memo To Counsel Re: MDL-15863, Putnam Subtrack;
Zuber v. Putnam Investment Mgmt. LLC, et al.,
Civil No. JFM-04-0564

Dear Counsel:

The purpose of this letter is to address the concerns raised by the following defendants with respect to plaintiffs' proposed order implementing my rulings on the motions to dismiss: William H. Woolverton, Justin Scott, Omid Kamshad, Carmel Peters, and Geirulv Lode. The only claim against these defendants is for control person liability under Section 48(a) of the Investment Company Act as it relates to Section 36(b) of the same Act. They argue that the claim is insufficient as a matter of law because 1) they are not alleged to have violated Section 36(b); and 2) the allegations of their control are merely conclusory. Because I have yet to rule upon these arguments, the defendants object to that portion of the plaintiffs' proposed order that states the motion to dismiss the Section 48(a) claim is "denied." The defendants prefer that the word "deferred" be used instead.

As I stated in the recent teleconference, I agree with the defendants that these issues are important and that the parties should proceed with supplemental briefing. Because I have made it clear that these issues are still open, it is of no moment whether "denied" or "deferred" is used in the order. Therefore, for the sake of efficiency and consistency across subtracks, I am approving the plaintiffs' proposed order. Please confer with one another about a briefing schedule. Once the briefs are submitted, and as soon as my schedule permits, I will address the substance of the defendants'

Despite the informal nature of this letter, it should be flagged as an opinion and docketed as an order.

Very truly yours,

/s/

J. Frederick Motz
United States District Judge